

Name_____

Period_____

BIG MAC™ AROUND THE WORLD

ECONOMICS SKILL CERTIFICATION PERFORMANCE TEST STANDARD 1

BIG MAC™ PRICES ON APRIL 17, 2001

You're planning to travel to other countries. In each country you visit, you intend to visit McDonald's™ and eat a Big Mac™, your favorite fast food. You did some research on the internet and were able to retrieve the data in the table below. Now you must make some calculations and complete the table.

Country	Currency	Price of Big Mac in Local Currency	Exchange Rate* 1US\$=	Price in U.S. Dollars
United States	Dollar	2.54	1.00	2.54
Australia	Dollar	3.00	1.98	1.52
Canada	Dollar	3.33		2.14
Chile	Peso	1,260.00	601.00	
China	Yuan	9.90	8.28	
France	Franc	18.50	7.44	
Germany	Deutsche mark	5.10		2.30
Indonesia	Rupiah	14,700.00	10,855.00	
Phillippines	Peso	59.00		1.17
Russia	Ruble	35.00		1.21
Thailand	Baht	55.00	45.50	

*Exchange rate on April 17, 2001

Source: "Big Mac Currencies," The Economics, April 19, 2001.

(Mathematics & Economics, National Council on Economic Education, 2002)

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HAPPY DEAL?

<p>ECONOMICS SKILL CERTIFICATION PERFORMANCE TEST STANDARD 1</p>
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BIG MACTM PRICES ON APRIL 17, 2001

Complete the calculations for “**Daily Income**” and “**% of Daily Income to Purchase One Big MacTM**”.

Country	GDP (Per Capita) 2001 in Local Currency	Daily Income (365 Days)	Price of Big Mac TM in Local Currency	% of Daily Income to Purchase One Big Mac TM
United States	37,160.83		2.54	
Australia	35,080.01		3.00	
Canada	34,889.51		3.33	
Chile	2,764,091.46		1,260.00	
China	7,585.69		9.90	
France	160,411.91		18.50	
Germany	50,070.91		5.10	
Indonesia	6,831,603.59		14,700.00	
Phillippines	47,615.59		59.00	
Russia	57,743.63		35.00	
Thailand	81,073.58		55.00	

*Per capita GDP per day

Source: IMG World Economic Outlook Database (estimated GDP for 2001).

- Which country has the highest daily income?_Which has the lowest?
- Which country has the highest % of Daily Income to Purchase One Big MacTM?
Draw some conclusions about this country’s standard of living.

(Mathematics & Economics, National Council on Economic Education, 2002)